

WHAT IS CLAIMED IS:

1. A memory for storing data for use by a process, the memory comprising:  
a structure representing a financial instrument reflecting an obligation of a first  
party to make at least one payment, triggered by at least one event associated with the  
payment obligation, to a second party, wherein the structure indicates that the  
financial instrument is held by a third party in a form decoupled from the payment  
obligation such that the financial instrument can be conveyed independently of the  
payment obligation.

2. The memory of claim 1, wherein the payment obligation is securitized.

3. The memory of claim 1, wherein the financial instrument is tradable.

4. The memory of claim 1, further comprising:  
a database for storing information related to the payment obligation, including a  
current status for a triggering event associated with the payment obligation.

5. A memory for storing data for access by a process being executed by a  
processor, the memory comprising:

a structure representing a guarantee against loan default reflecting an obligation of  
a first party to make payments triggered by certain default-related events involving a

loan to a second party, wherein the structure indicates that the guarantee is held by a third party in a form decoupled from the loan such that the guarantee can be conveyed independently of the loan.

5           6.     The memory of claim 5, further comprising:  
a database for holding information related to the loan, including a current status for a triggering event involving a loan.

10           7.     The memory of claim 5, wherein the guarantee is tradable by the third party.

15           8.     A method for issuing a guarantee certificate, which is a financial instrument representing an obligation of a first party to make payments triggered by certain events associated with the payment obligation to a second party, the method comprising the steps of:

pooling instruments representing financial obligations;  
identifying and segregating cash flows paid to satisfy the financial obligations;  
and  
issuing guarantee certificates that entitle a holder of the certificates to receive at least one payment triggered by at least one event.

9. The method of claim 8, wherein the step of identifying and segregating cash flows includes the step of:

creating a trust for holding the pooled instruments; and

paying through the trust certain cash flows to the holder of the certificate.

5

10. The method of claim 8, wherein the guarantee certificate is tradable.

11. A method for issuing a guarantee certificate, which is a financial instrument representing an obligation of a first party to make payments triggered by certain default-related events involving a loan to a second party, the method comprising the steps of:

pooling securitized loans into a reference pool;

identifying and segregating cash flows associated with each of the securitized loans in the reference pool; and

issuing a guarantee certificate that entitles its holder to receive at least one payment triggered by at least one of the events.

12. The method of claim 11, wherein the financial instrument is tradable.

13. A method for issuing a guarantee certificate, which is a financial instrument representing an obligation of a first party to make a payment triggered by a certain event involving the payment obligation to a second party, the method comprising the steps of:

5 identifying and segregating cash flows associated with the payment obligation;  
and  
issuing a guarantee certificate that entitles its holder to receive a payment triggered by an event.

10 14. The method of claim 13, wherein the financial instrument is tradable.

15 15. A method for issuing a guarantee certificate, which is a financial instrument representing an obligation of a first party to make payments triggered by certain default-related events involving a loan to a second party, the method comprising the steps of:

pooling loans into a reference pool;  
determining a payout formula attributable to the reference pool; and  
issuing a guarantee certificate that entitles its holder to receive at least one payment triggered by at least one of the events.

16. The method of claim 15, wherein the financial instrument is tradable.

17. The method of claim 15, wherein the step of determining a payout formula includes the step of:

modeling a separate loan pool to determine the payout formula.

Def 1/1

18. A method for administering a guarantee certificate, which is a financial instrument representing an obligation of a first party to make payments triggered by an event involving the payment obligation to a second party, the method comprising the steps of:

determining when the triggering event has occurred;

calculating a payment; and

causing a holder of the guarantee certificate to be paid the calculated payment.

19. The method of claim 18, wherein the step of determining when the triggering event has occurred includes:

querying an information source for a current status of the payment obligation; and

comparing the current status to the triggering event.





means for calculating a payment as a dollar-for-dollar pass through of an amount paid by the first party.

5

*Def 26*

28. The system of claim 24, wherein the means for calculating a payment includes:

means for calculating a payment as an amount determined by formula based on a predetermined event trigger.

10

29. The system of claim 24, wherein the means for causing a holder of the guarantee certificate to be paid includes:

means for issuing instructions to an agent to pay the calculated payment to a holder of the guarantee certificate.

15

*Def 27*

30. A computer program product comprising:  
a computer usable medium having computer readable code embodied therein for administering a guarantee certificate, which is a financial instrument representing an obligation of a first party to make payments triggered by an event involving the payment obligation to a second party comprising:

computer readable code for determining when the triggering event has occurred;

20

computer readable code for calculating a payment; and



a?  
cont.

computer readable code for causing a holder of the guarantee certificate to be paid  
the calculated payment.

31. The computer produce of claim 30 wherein the computer readable code for  
determining when the triggering event has occurred includes:

computer readable code for querying an information source for a current status of  
the payment obligation; and

computer readable code for comparing the current status to the triggering event.

32. The computer product of claim 30, wherein the computer readable code  
for determining when the triggering event has occurred includes:

computer readable code for accepting a current status of the payment obligation;  
and

computer readable code for comparing the current status to the triggering event.

33. The computer product of claim 30, wherein the computer readable code  
for calculating a payment includes:

computer readable code for calculating a payment as a dollar-for-dollar pass  
through of an amount paid by the first party.

34. The computer product of claim 30, wherein the computer readable code calculating a payment includes:

computer readable code for calculating a payment as an amount determined by formula based on a predetermined event trigger.

35. The computer product of claim 30, wherein the computer readable code causing a holder of the guarantee certificate to be paid includes:

computer readable code for issuing instructions to an agent to pay the calculated payment to a holder of the guarantee certificate.

10

36

Attorney Docket No. 05997.0013-00000